Supreme Court, U.S.
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No. 95-72

In The

Supreme Court of the United States

October Term, 1995

LA CIENEGA MUSIC COMPANY,

Petitioner,

vs.

ZZ TOP; BILLY GIBBONS; JOE MICHAEL HILL, pka: DUSTY HILL; FRANK BEARD; BILL HAM, dba: HAMSTEIN MUSIC COMPANY and LONE WOLF PRODUCTION COMPANY; WARNER BROS. RECORDS, INC.; WEA INTERNATIONAL, INC.,

Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

REPLY BRIEF FOR PETITIONER

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The Hollywood Reporter, Sept. 21, 1995, p. 7, col. 1 9

2 *Nimmer on Copyright,* § 9.01[C] 5

FURTHER REASONS FOR GRANTING THE WRIT

I.

RESPONDENTS' OPPOSITIONS CONCEDE THAT THE PETITION SHOULD BE GRANTED.

The Petition, supported by the brief of the *amici curiae*, identified an unambiguous conflict between the Second and Ninth Circuits on an issue of copyright law that affects hundreds of thousands of copyrights in pre-1978 songs and, with them, hundreds of millions of dollars in licensing fees each year. This essential point, and the paramount importance of this case to the music industry, cannot be seriously challenged. Indeed, Respondents, in their nearly identical twin briefs, concede in substantial part, and certainly fail to refute, that the Petition for Writ of Certiorari should be granted, as to all three questions presented:

Is the Ninth Circuit's decision in conflict with decisions of another Federal appellate court? (S. Ct. Rule 10.1(a).)[1] *Yes:* Both sets of Respondents agree, and the Ninth Circuit expressly acknowledged the conflict.[2]

Has the Ninth Circuit decided an important question of federal law which has not been, but should be, decided by this Court? (S. Ct. Rule 10.1(c).) *Yes*: The Warner Respondents *expressly concede* this as to Issues No. 1 and 2 presented in the

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1. All such citations are to Rules of the Supreme Court of the United States, effective January 1, 1990.

2. Brief in Opposition for Respondents ZZ Top [*et al.*], hereinafter "ZZ T Opp.," 2 ("apparent split"); Brief in Partial Opposition for Respondents Warner Bros. Records, Inc. [*et al.*], hereinafter "WBR Opp.," 2 ("clear split"); *La Cienega Music Company v. ZZ Top*, 53 F.3d 950, 953 ("We decline to follow *Rosette*.")

Petition,[3] while *all* Respondents acknowledge that Issue No. 3 raises an important and unsettled issue under the federal copyright statute.[4]

Has the Ninth Circuit decided a federal question in a way that conflicts with applicable decisions of this Court? (S. Ct. Rule 10.1(c).) *Yes*: Respondents concede that this Court's decision in *White-Smith Music Publishing Co. v. Apollo Co.*, 209 U.S. 1, 28 S. Ct. 319, 52 L. Ed. 655 (1908), held that sales to the public of player piano music rolls capable, upon use in a mechanical device (a player piano), of reproducing only aurally a performance of a musical composition, did *not* constitute "publication" of "copies" of the musical composition embodied therein and performed thereby.[5] Nonetheless, the Ninth Circuit held, herein, that sales to the public of phonorecords (as opposed to player piano music rolls), which likewise required use in a mechanical device (a record player or tape player) in order to reproduce only aurally a performance of a musical composition, *did,* under the 1909 Act, constitute "publication" of "copies" of the embodied musical composition.[6]

The Warner Respondents now openly acknowledge that the Ninth Circuit's decision, on at least the first two of the three questions presented in the Petition herein, was "erroneous as a matter of substantive law"[7] and should be reversed, lest its

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3. WBR Opp. 2.

4. ZZT Opp. 15; WBR Opp. 14.

5. ZZT Opp. 18; WBR Opp. 16; *see also, La Cienega, supra,* 53 F.3d 950.

6. 53 F.3d at 950.

7. WBR Opp. 2.

"devastating impact" result in "substantial and far reaching economic consequences on composers and others in the music industry, including the wholesale destruction of the catalogs of Warner/Chappell Music, Inc., a corporation affiliated with the Warner Respondents."[8] Even the ZZ Top Respondents acknowledge that the final result in this case will have a significant impact "for decades to come."[9] (Respondents now seek to backpedal and disavow responsibility for this terrible unforeseen Pyrrhic victory, by claiming in their Oppositions, for the first time, that the decisions below on this point were "*sua sponte*," "advisory," and "hypothetical," and the issue was "not yet ripe." Respondents' Oppositions thus consist largely of an attempt to deconstruct the Ninth Circuit decision into newly-labeled issues which the opinion itself neither used nor suggested, and then to divert attention to the third issue — the so-called "28 year nonrenewal issue" — whose consequences are perceived as less ominous for Respondents.[10]

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8. WBR Opp. 2.

9. Appellee's [Respondents] Brief (in Ninth Circuit), 18.

10. The ZZ Top Respondents understandably fear no adverse consequences from a ruling in their favor on the "28 year nonrenewal issue," since all of their compositions were created *within* the past 28 years, and it would not affect them. The Warner Respondents' reluctance to concede this third issue (having conceded the first two) appears to reflect an effort to "save face."

II.

THE OPPOSITIONS MISCONSTRUE LEGAL AUTHORITIES, ARE FACTUALLY ERRONEOUS, AND RESORT TO "STRAW MAN" ARGUMENTS MISCHARACTERIZING PETITIONER'S ARGUMENTS.

A. Miscited Law

While Respondents contend that Petitioner misreads the Ninth Circuit opinion, the legal commentators upon the Ninth Circuit opinion, to date, have read it the same way as Petitioner. *See, e.g.*, D. Goldberg & R.J. Bernstein, *Copyright Law: Music and Sound Recording Protections on the Defense*, N.Y.L.J., Mar. 17, 1995; Copyright L.J., Mar.-Apr. 1995 (N. Boorstyn, ed.), and reportage on the instant case in CCH and BNA trade publications. That is, the threshold issue regarding whether, under the 1909 Act, release of phonorecords constituted publication of the embodied musical composition is the crucial issue.[11]

Rosette v. Rainbo Record Mfg. Corp., 354 F. Supp. 1183 (S.D.N.Y. 1973), *aff'd per curiam*, 546 F.2d 461 (2d Cir. 1976), even if it did not expressly involve a question of failure to renew after the first 28 year term, *is* nonetheless contrary to the Ninth Circuit's position on that issue. By statute, the first term of federal copyright protection commences *only* upon the earlier of the date

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11. It is actually *Respondents* who misread the Ninth Circuit's opinion. The opinion did not turn upon the original (subsequently recanted) allegation of "publication" in Mr. Besman's Complaint; rather, the Ninth Circuit deemed the works published by virtue of the release of phonorecords, and resolved the public domain and renewal issues based upon the premise that publication had occurred. Respondents also artfully mischaracterize Petitioner's arguments in contending, erroneously, that Petitioner has argued that "prior registration" is required in *all* events. In fact, Petitioner's argument is simply that *statutory compliance* was required at the time of any publication.

of registration or the date of publication with notice affixed.[12] Disregarding the subsequent actual registrations of "Boogie Chillen" — *i.e*, the registration of the 1948 version in 1967, the 1950 version in 1970, and the 1970 version in 1992 — and concluding that the 1948 and 1950 versions had to be renewed in 1976 and 1978, respectively, the Ninth Circuit therefore *implicitly* premised that holding upon the *sine qua non* that the release of phonorecords in 1948 and 1950 constituted "publication" of copies of the 1948 and 1950 versions of the musical composition.[13]

The decision of the courts below as to the "publication" issue was *not sua sponte*. The need to determine if "publication" occurred was implicit in the Rule 12(b)(6) motion, and the presumption that it *did* occur is the rationale for the cases cited by *Nimmer* and which Respondents (and the courts) cited below. This part of the decision was not "advisory," in that it did not tell the parties what would happen in the future if certain facts arose in the future, but rather addressed the present consequences of past facts. And there is a justiciable case on this issue based on the actual facts. It was not "hypothetical" that the court analyzed the law based upon alternative possible findings of fact and found that, either way the facts turn out, but in each instance for different legal reasons, the same party would lose.

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12. 17 U.S.C. § 24 (1909 Act). *See also* 2 *Nimmer on Copyright*, § 9.01[C], at 9-19, n. 92, and cases cited thereat.

13. As to the 1970 version, as discussed in the Petition, the first 28 year term would not have run yet, and subsequent statutory revisions have mooted the renewal issue. Since *Rosette* expressly found that the release of phonorecords was *not* "publication" of the embodied composition, then *Rosette* would not and could not have supported the Ninth Circuit's conclusion as to renewal deadlines, and indeed squarely contradicts the Ninth Circuit's position and conclusion.

Contrary to Respondents' assertion[14] the Ninth Circuit's decision did not "follow" or "apply" *Stewart v. Abend*, 495 U.S. 207, 110 S. Ct. 1750 (1990) or *Miller Music Corp. v. Charles N. Daniels, Inc.*, 362 U.S. 373, 80 S. Ct. 792 (1960) — indeed, it did not even *mention* either case.

Respondents also blatantly misread the law in claiming that a Notice of Use was required to be filed "as soon as the composition was released on phonorecord."[15] Section 1(e) of the 1909 Act contained no such provision as to the date of filing of the Notice.

Respondents quote from Judge Learned Hand in *RCA Mfg. Co. v. Whiteman*, 114 F.2d 86 (2d Cir. 1940), without noting that *Whiteman* was premised on New York state common law, was overruled by the Second Circuit in *Capitol Records, Inc. v. Mercury Records Corp.*, 221 F.2d 657, 663 (2d Cir. 1955), and was later effectively disapproved, *sub silentio*, when the Second Circuit affirmed, *per curiam*, the opinion of Judge Gurfein in *Rosette* in 1976.

There is no authority for Respondents' bald, sweeping and inaccurate statement that "Congress expressly overruled *White-Smith* when it enacted the 1909 Act," least of all as to *White-Smith's* determination that sales of player piano music rolls did not constitute publication of copies of the musical composition performed therein.[16] Congress only enacted the "compulsory mechanical royalty" provision in Section 1(e) of the 1909 Act as a means of providing a limited exception to the general monopoly

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14. ZZT Opp. 2.

15. ZZT Opp. 11; WBR Opp. 11.

16. *See* authorities cited at Petition 10-11 (Henn, *Nimmer, Copyright Office Practice Book on Sound Recordings).*

of a copyright holder over the use of the work in question, permitting certain third party uses of a copyrighted work, without requiring prior consent, once it had been embodied in phonorecords, provided that the subsequent users paid to the owner of the copyrighted work a royalty of a few cents per copy sold.[17]

B. False and Misleading Factual Assertions

Regrettably, Respondents have made several false or misleading assertions of fact in their Oppositions, none of which even purport to be supported by any citation to the record of this case, for there is no support in the record, nor could there be. Most offensive, and not worth dignifying with a more detailed response at this point, is the transparent attempt to defame and smear Mr. Besman.[18] This unworthy tactic by Respondents does nothing to advance the proper resolution of the important legal issues before this Court, but does call into serious question the accuracy and reliability of Respondent's other assertions of fact and law.

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17. App. F-1 to Petition herein.

18. Mr. Besman was and is co-author of "Boogie Chillen." *See* Complaint (in the within action) Exhs. A, C, D, E, F, G. The lawyerly fabrications and contentions in *Hooker v. Bihari* (as to which there is no evidentiary record in the present case) were never fully tried and adjudicated; rather, the case settled in favor of Mr. Besman, vindicating him as co-author and copyright holder. And the discernible musical similarities between "Boogie Chillen" and "La Grange" have been affirmed unequivocally by Irwin Coster, a nationally renowned forensic musicologist, whose report is part of the record in this action. *See* Complaint ¶ 20 and Exh. H in *Ham v. La Cienega Music Company*, U.S.D.C., S.D. Tex., Houston Div., Case No. H 92 1293, attached as Exh. A to "Declaration of Joseph D. Schleimer, Esq. in Support of Motion to Transfer Venue" (including "Request for Judicial Notice of Previously-Filed Action"), filed in the within action on or about July 24, 1992.

C. "Straw Man Arguments"

Nowhere does Petitioner argue for any "tolling" of the "running of the 28 year copyright term," [19] for no basis for the *commencement* of any such term existed prior to the 1967 registration of a claim of copyright under federal law with respect to the theretofore-unpublished 1948 version of "Boogie Chillen." This misstatement by Respondents is based on another legally erroneous notion: That the holder of common law copyright in an *unpublished* work was ever *required*, under the 1909 Act, to obtain federal statutory copyright protection.[20] So long as the work remained, in the eyes of the *law, unpublished*, registration *was permissive.* Only when the work *was published* was it *required* that notice be affixed to each copy, and that registration be made "promptly" thereafter. The federal registration of copyright in "Boogie Chillen" as an "unpublished" work was never "tardy," and Petitioner did not "violate" [italics in orig.] any "registration or notice of use obligations under the 1909 Act." [21] It is thus oxymoronic for Respondents to mischaracterize Petitioner's argument as one that "Petitioner could extend [sic] his initial 28 year term by not registering in the first place." [22]

The 1909 Act reflected no Congressional fear of "perpetual common law copyright." It was well-established that common law copyright in *unpublished* works, under the 1909 Act, was potentially perpetual and certainly unlimited. 17 U.S.C. § 2 (1909

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19. ZZT Opp. 9.

20. The same misperception that there was some requirement or obligation to register an unpublished work also slipped into District Judge Pfaelzer's Memorandum, App. D, n. 2 at 35a-36a, quoted in ZZT Opp.12-13 and n. 10.

21. ZZT Opp. 16.

22. ZZT Opp. 21.

Act); *see* authorities cited at Petition 7, n. 11. Only if the work was published did the question of time limits become relevant.[23]

Had Congress intended to require registration of an unpublished musical composition embodied in a phonorecord within some specified period of time after release of that record in order to avoid "extending the initial term," Congress could easily have done so, though it did not. After all, Congress *had* enacted a provision requiring registration "promptly" following "publication" of a work with proper copyright notice affixed to each copy published (17 U.S.C. § 13), and the law already provided that if publication occurred without copyright notice affixed, the work was automatically injected into the public domain (and even a "prompt" registration could not save it). Congressional silence in *not* expressly requiring registration at any time, as to recorded but otherwise unpublished musical compositions, despite manifest awareness of the burgeoning recording industry and its practices, speaks volumes.

Most puzzling and oblique of all is ZZ Top's "Rear Window" argument, based on *Stewart v. Abend, supra.* The "Rear Window" issue is only relevant to the question, also non-existent here, of whom (as between authors and copyright holders) is entitled to renew a copyright as the initial term concludes. ZZ Top contends there was no renewal issue because the works were in the public domain from the first release of phonorecords. Mr. Besman was himself co-author, with John Lee Hooker, of "Boogie Chillen." Both Mr. Besman and Mr. Hooker are still alive. Thus, there is no issue of depriving the *authors* (or their heirs) of copyright

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23. Subsequent statutory changes in and since 1976 expanded the duration of federal copyright protection, first from 56 to 75 years, then to "life of the last surviving co-author plus 50 years," and Congress now appears about to extend it further to "life plus *70* years," to coincide with European Union laws. *The Hollywood Reporter,* Sept. 21, 1995, p. 7, col. 1.

ownership or renewal rights — unless, of course, ZZ Top succeeds in their claim that the authors forfeited copyright years ago.

It is ironic and disingenuous for ZZ Top to claim concern for rights of authors, when they seek, by opposing certiorari, to guarantee the wholesale forfeiture of all copyright in innumerable compositions — a threat now openly recognized, feared and resisted even by ZZ Top's own co-Respondents in this action, the Warner companies.

CONCLUSION

The Petition for a Writ of Certiorari should be granted.

Respectfully submitted,

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